

# B-A-120 Instructions

## Alternative Nicotine Products Floor Tax Form

The North Carolina General Assembly imposed an excise tax on alternative nicotine products at a rate of 10¢ per container up to 20 units, and at the rate of one-half cent (1/2¢) per unit for any amount in a container containing over 20 units. Due to this change, all wholesale dealers and retail dealers must complete an inventory of all North Carolina tax-paid alternative nicotine products on July 1, 2025, and pay any additional excise tax due within 20 days, for each location.

A wholesale dealer or retailer dealer that holds alternative nicotine products in inventory as of July 1, 2025, must complete and return, with payment of any tax due, Form B-A-120 Alternative Nicotine Products Floor Tax Return for each location on or before July 20, 2025. A retail or wholesale business who exclusively purchases their inventory with the North Carolina tobacco excise tax already paid AND does not have a Tobacco Excise Tax License for the location where the inventory is received, stored, and offered for sale, does not need to complete this form.

A form is filed when it is received by the Department or postmarked by the due date. If the due date falls on Saturday, Sunday, or state holiday, the form and payment must be received by the Department or must be postmarked on the next business day.

### General Instructions

Complete all information at the top of Form B-A-120 including return period, Legal Name (first 35 characters), Trade Name, Physical Address (Address Associated with License), City, State, Zip Code, State of Domicile, Federal Identification Number (FEIN) or Social Security Number (SSN), NCDOR ID for the location of business, Contact Person, Phone Number, and Fax Number.

The additional excise tax due is the difference between the rate of ten cents (10¢) per container containing up to 20 units, and the rate of one-half cent (1/2¢) per unit for any amount in a container containing over 20 units. Important: All unsalable alternative nicotine product that the wholesale dealer or retail dealer intends to return to the manufacturer and apply for a refund of excise tax paid should be returned to the manufacturer prior to July 1, 2025, to avoid paying the additional tax.

### Schedules

#### **Schedule A. Schedule of Additional Tax Due for Alternative Nicotine Products**

Complete Schedule A lines one (1) through four (4) to determine the amount of additional excise tax due. Schedule B must be completed before computing the additional tax reported on Schedule A.

##### **Line 1. Total Containers of Alternative Nicotine Products in Inventory**

Enter the result from Schedule B, Total of Column F.

##### **Line 2. Excise Tax on Units Less Than or Equal to 20 in Each Container**

Multiply Line 1 by \$0.10. Enter the result.

##### **Line 3. Units Greater Than 20 in Each Container**

Enter the result from Schedule B, Total of Column G.

##### **Line 4. Excise Tax on Units Greater Than 20 in Each Container**

Multiply Line 3 by \$0.005 (1/2 cent). Enter the result.

##### **Line 5. Total Additional Excise Tax Due for Alternative Nicotine Products in Inventory**

Add Lines 2 and 4.

#### **Schedule B. Inventory of Alternative Nicotine Products as of July 1, 2025**

Complete Columns A through G listing the required information for North Carolina Inventory of Alternative Nicotine Products as of July 1, 2025, to determine the additional amount of excise tax due.

##### **Column A. Manufacturer**

Provide the name of the company that manufactures the product for the reported inventory.

##### **Column B. Brand**

Provide the name (brand) given by the manufacturer for the product reported in inventory.

**Column C. Product Description as Shown on Invoice**

Invoice description of product in inventory must be provided. The description must match what is shown on the invoice.

**Column D. Number of Units in Each Container**

Provide the total number of units in each container held in inventory on July 1, 2025.

**Column E. Number of Units with Greater Than 20 in Each Container**

Column D minus 20; if negative, enter zero.

**Column F. Number of Containers in Inventory**

Provide the total number of containers held in inventory on July 1, 2025. Enter the total number of containers listed per line in Column F. Total all items and enter the result on "Total of Column F" line and on Schedule A, Line 1.

**Column G. Total Units Greater Than 20 in Each Container**

Multiply Column E by Column F and enter the result of each line in Column G. Total all items in Column G and enter the result on "Total of Column G" line and on Schedule A, Line 3.